

same benefits as independent wild-catters.

Then there is the stuff for the big chain store, such as the liberalization of the tax treatment of certain construction allowances and contributions received by retail operators.

What does that mean? It means the big chains can get a big payment to put a big store as the anchor tenant in a big mall, and they do not have to pay taxes on that big payment. But of course, people have to pay taxes on salaries and small business has to pay taxes on their profit.

There is the repeal of the 5-year limitations relating to life insurance companies filing consolidated tax returns with the affiliated group including non-life-insurance companies. There is a host of others that I have no time to get into.

But then finally there is the phase-in repeal of the estate gift and generation skipping tax. What does that mean? That means that Bill Gates saves \$50 billion. But what is in it for working families? For the 50 million Americans, 8 cents a day.

#### CHINA TRADE

The SPEAKER pro tempore (Mr. VITTER). Under a previous order of the House, the gentleman from Illinois (Mr. MANZULLO) is recognized for 5 minutes.

Mr. MANZULLO. Mr. Speaker, our relationship with China will always be extremely difficult and complex. We must continue the hard engagement process with China. But we do not need to sacrifice national security for trade. This has been and always will be a false choice.

The Cox report was a good sturdy point for us to more realistically evaluate our relationship with China. We have already begun to implement many of the Cox committee recommendations, such as requiring Defense Department monitors at satellite launch sites. Let us also be vigilant by enforcing existing laws.

If further reforms are needed to enhance national security, then Congress should not shy away from changing the law. But as we go through this process, we must not fool ourselves into thinking that more restrictions on our exports to China will protect us.

When we think about trade sanctions and export controls, we should not go down this road alone. We only put our heads in the sand if we think we can enhance our national security by ignoring our foreign competitors. The world has changed and the U.S. is no longer the only manufacturer of high-technology products.

Congress overreacted 2 years ago in placing unrealistic limits on computer sales abroad. Now China has a home-grown computer industry. Soon one penny and a chip the size of your fingernail will exceed the supercomputer definition. And European machine tool manufacturers have almost totally

captured the high-end market in China because of our Government's export control policy. This at the same time domestic consumption of U.S. machine tools has dropped 45 percent.

Europe sells the same machines to China that we could that do the same things, but we are barred by selling them because of our export policy. We only hurt ourselves.

We are now learning the same lesson on commercial satellite exports. Last week, a major satellite manufacturer reported a loss of nearly \$100 million because of delays in development and delivery of new satellites. This is an industry that has made a dramatic shift away from relying on Government procurement to commercial sales.

They also compete against German, French, and Japanese satellite manufacturers of similar equipment. These foreign firms would eagerly seize export opportunities from U.S. satellite makers if they are denied permission to launch by our Government. We can protect our national security and our national economic interests while engaging China at the same time. But we should not put up walls that will block our high-technology industry and hurt our overall national interests.

Let us solve the specific problems highlighted in the Cox report but keep our export options open in China.

#### ILLEGAL NARCOTIC TRAFFICKING IN AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. MICA) is recognized for 5 minutes.

Mr. MICA. Mr. Speaker, I come to the floor again tonight to talk about the problem of illegal narcotics. Tonight I would like to help set the record straight.

After years and months of nearly deadly silence by the President of the United States on one of the most pressing issues facing our Nation, that is the problem of illegal narcotics use and abuse, the President spoke out yesterday.

I have a transcript of his speech, and I was really stunned to hear his remarks. These are his exact comments.

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He said, "When we were out there running for office in 1992, the Vice President had this hilarious rap about everything that should be up was down and everything that should be down was up, and everything was all mixed up. And it is true." And then the President said, and again let me quote him, "And one of the sad things that was up was drug use." Now, this is what the President of the United States said yesterday.

Mr. Speaker, this does not gibe with the facts. In fact, we did a little bit of research and we found, and this chart states quite clearly, that long-term trends in lifetime prevalence of drug use, from 1980 when President Reagan

took office, and this is the Reagan administration, through 1988, with President Bush during that period, we found that the trend in prevalence of drug use actually went down. These are the facts.

Now, again the President said, "And one of the sad things that was up was drug use." That is what the President said. These in fact, Mr. Speaker, are the statistics. These are not tainted or misconstrued in any way or partisanly presented. Those are the facts.

Then if we looked at individual narcotics, the trends in cocaine use, the President said, "And one of the sad things that was up was drug use."

So we can look at drugs individually. We see that during President Reagan and Bush's era, that the point at which President Clinton took office that there was a downward spiral in cocaine use. In fact, when President Clinton took office, we see the resurgence of that in fact returning and going up. This does not show the dramatic increase in drug use. Because of the Clinton policy, we in fact had a shift of more people going not only to cocaine but also to heroin in unprecedented amounts and also to methamphetamine which did not appear on any of these charts. So what the President said, "And one of the sad things that was up was drug use" is not in any way correct or does it relate to facts.

Then if we look at heroin, in the Reagan administration and Bush administration, we see downward trends. He said, "And one of the sad things was that drug use was up." We see in fact during President Clinton's term, it dramatically shot up, and heroin, deadly heroin, in incredible quantities. I do not have a chart on methamphetamine, but meth was not even on this chart and now is staggering up. The only reason we see any change here in a downward spiral in the last several years is because of the Republicans taking over the Congress and restarting the war on drugs.

Finally, the President also said, "We tried to do more to keep drugs from coming into the United States." This is the quote of the President. I do not have all the charts with me, but under complete control by the Democrat-controlled Congress, the White House and the Senate, the administration and this other controlled legislative body, 1992 to 1993 dramatically decreased the source country programs, they cut them by over 50 percent, dramatically cut the military. He said, "We tried to do more to keep drugs from coming into the United States." Dramatically cut the military and interdiction programs. Nearly cut in half the Coast Guard drug programs, stopped antidrug resources from getting to Colombia which is now the major source of heroin and cocaine coming into the United States. And certified Mexico, which is the greatest source of illegal narcotics and now methamphetamines of anywhere coming into the United States. And our President said yesterday, "We